

THE TORONTO STOCK EXCHANGE

9/11/72.

FILING STATEMENT NO.1851.
FILED, NOV.21,1972.

LYTTON MINERALS LIMITED

Full corporate name of Company

Incorporated under the provisions of the Companies
Act (British Columbia) May 9, 1963

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous
Filing Statement No.1762.

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	See Schedule "A" on page 2.
2. Head office address and any other office address.	602 West Hastings Street, Vancouver, B.C.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	See Schedule "B" on page 3.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized 5,000,000 Class "A" common shares of no par value Issued 4,537,577
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	None, but see No 1.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	See Item 1 on Page 1.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>By virtue of the agreement referred to in Item 20, the Company's major interest is the La Verde copper deposits owned by Minas del Otono, S.A. in Michoacan State, Mexico. The Company has caused exploration and development work to be carried out on this property and commissioned a technical feasibility study thereon, all of which is referred to in Item 10. The results of the technical feasibility study indicate that commercial production of the property would be financially attractive within the sale price range of 45 to 55 cents (U.S.) per pound of copper.</p> <p>Preliminary discussions have been held on the sale of production and financing of the La Verde copper deposits. Prior to further development of this property agreements must be reached with the Mexican government. Discussions with the Mexican government have been initiated, however, no conclusive results have been obtained to date.</p> <p>The proceeds to be received by the Company from the proposed rights offering described in Item 1 will be applied to the repayment of moneys borrowed from an associated company (\$676,115 at September 30, 1972) and to provide funds for continuing operations.</p>

SCHEDULE "A"

1. The Company proposes to grant to its shareholders of record at the close of business on November 27, 1972, the right to subscribe for additional shares on the basis of one share for each ten shares then held at the price of \$2.00 (Canadian Funds) per share. The rights are exercisable at the offices of Guaranty Trust Company of Canada, in Vancouver, Toronto and Montreal and will expire on December 27, 1972. The offering will be made as soon as possible after necessary filing statements and securities commissions have been cleared. \$907,514.00 will be realized by the Company from the exercise of rights. All shares not subscribed for pursuant to the rights offering will be purchased from the Company at \$2.00 (Canadian Funds) per share by Noray Mining Limited, a wholly owned subsidiary of Patino, N.V., at no cost to the Company. No payment will be made to any person or company in connection with the obtaining of subscriptions. The shares referred to above are not registered under the Securities Act 1933 of the United States of America and amendments thereto and the Company will not accept subscriptions from any person or his agent who is, or appears to be, or who the Company has reason to believe is a citizen or resident of the United States of America or any territory or possession thereof.

The rights will be traded on the Toronto and Vancouver Stock Exchanges until shortly before they expire, and the Company understands that there is no objection to a United States shareholder selling his rights in Canada. The Company has made application to list its shares on the Canadian Stock Exchange. In the event that the shares of the Company are called for trading on the Canadian Stock Exchange prior to the rights offering the Company will seek to have the rights listed for trading on the Canadian Stock Exchange.

The Company understands that any shares acquired by Noray, as referred to above, will be held as an investment and not with a view to resale or distribution to the public until or unless compliance with the requirements of applicable securities legislation has been met.

SCHEDULE "B"

Item 4

<u>Name and Office</u>	<u>Address</u>	<u>Chief Occupation for the past five years</u>
George Gutierrez Director	233 Rosedale Heights Dr. Toronto, Ontario.	Director, Patino, N.V. - November 22, 1971 to date - Vice-President, The Patino Mining Corporation - prior to November 22, 1971.
Walter C. Howard Director	10301-109th Street Edmonton, Alberta.	Executive and Vice-President MacCoshans Van Lines Ltd.
Evans Koblanski Vice-President and Director	1259 Chartwell Place North Vancouver, B.C.	Mining Executive
B. C. Macdonald Director	2890 Edgemont Blvd. North Vancouver, B.C.	Consulting Geologist
Stephan P. Ogryzlo President and Director	31 Gordon Road Willowdale, Ontario.	Director, Patino, N.V. - November 22, 1971 to date Vice-President, The Patino Mining Corporation - prior to November 22, 1971.
Alexander D. Stirling Secretary-Treasurer and Director	2109 Agincourt Cres. Burlington, Ontario.	Secretary-Treasurer Patino Mines (Quebec) Limited - November 22, 1971 to date Assistant Controller, The Patino Mining Corporation - December 1, 1969 to November 22, 1971 Controller, Smith, Kline & French Ltd. - September 1, 1969 to November 30, 1969 Chief Accountant, Reckitt & Colman (Canada) Ltd. - prior to September 1, 1969.
R. A. White Director and Assistant Secretary	1030 West Georgia St. Vancouver, B.C.	Barrister and Solicitor

James W. Lay resigned as a Director and Secretary on October 17, 1972, and was replaced as a Director and Secretary by Mr. Alexander D. Stirling.

10. Brief statement of company's chief development work during past year.	See Schedule "C" on page 5.										
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	N/A										
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	N/A										
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None										
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	N/A										
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table> <tr> <td>Lake & Co.</td> <td>2,546,488</td> </tr> <tr> <td>Doherty McCuaig Limited</td> <td>341,433</td> </tr> <tr> <td>Roytor & Co. #1 Acct.</td> <td>84,647</td> </tr> <tr> <td>Bache & Co. Incorporated</td> <td>77,523</td> </tr> <tr> <td>Anmercosa Securities Ltd.</td> <td>75,000</td> </tr> </table> <p>Of the shares registered in the name of Lake & Co. Patino, N.V. is the beneficial owner of 2,235,426 and Noray Mining Limited is the beneficial owner of 290,399 shares. The Company is not aware of the beneficial ownership of the shares registered in the names of Doherty McCuaig Limited, Roytor & Co. #1 Acct., Bache & Co. Incorporated and Anmercosa Securities Ltd.</p>	Lake & Co.	2,546,488	Doherty McCuaig Limited	341,433	Roytor & Co. #1 Acct.	84,647	Bache & Co. Incorporated	77,523	Anmercosa Securities Ltd.	75,000
Lake & Co.	2,546,488										
Doherty McCuaig Limited	341,433										
Roytor & Co. #1 Acct.	84,647										
Bache & Co. Incorporated	77,523										
Anmercosa Securities Ltd.	75,000										
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	Patino, N.V., Catsheuvel 6, The Hague, The Netherlands.										
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	2,199,997 shares Deas Lake Mines Ltd. Cost \$139,472, no present quoted market value.										
18. Brief statement of any lawsuits pending or in process against company or its properties.	None										

SCHEDULE "C"

10. Mexican Properties

The Company has suspended for the time being exploration work on the La Verde copper deposits by Minas del Otono, S.A. in Michoacan State, Mexico. Recent estimates of ore reserves of the La Verde properties are as follows:

	<u>Short Tons</u>	<u>% Cu</u>	<u>Oz. Ag</u>	<u>Oz. Au</u>
Proven	81,300,000	0.699	0.15	0.01
Probable	15,000,000	0.647	0.10	
Possible	20,000,000	0.50		

Further exploration work should indicate increased ore reserves.

The Technical Feasibility Study completed by Compania Ralph M. Parsons de Mexico, S.A., confirmed the ore reserve estimates (as of the date of the study) and indicated that an operation of 16,500 tons per day, expandable to 20,000 tons, is financially attractive within the sales price range of 45 to 55 cents U.S. per pound of copper.

Highlights of the Parsons study are:

Capital Expenditures (including preproduction interest)	\$49,500,000
Annual Production - initial years (decreasing in later years unless mill rate increased)	Cu - 75,000,000 lbs. Au - 13,000 ozs. Ag - 400,000 ozs.
Operating Costs per ton - \$1.76 (first 5 years increasing gradually to \$2.15)	

Discounted Cash Flow Summary

<u>Cu Price % Lb.</u>	<u>Pay-Out Period* Years from Start of Construction</u>	<u>D.C.F. Project* Rate of Return % Per Year</u>
55	4.34	30.37
50	4.71	25.57
45	5.30	20.35

* Based on the assumption that a satisfactory fiscal agreement can be worked out with the Mexican government.

British Columbia Properties

No work has been conducted on the British Columbia properties in the last year.

Note:-

A report on the company's properties by D.W. Asbury, B.Sc., P.Eng., dated October 24, 1972, is on file with the Exchange. The report contains excerpts from the above-mentioned Feasibility Study.

FINANCIAL STATEMENTS

LYTTON MINERALS LIMITED

BALANCE SHEET AS AT SEPTEMBER 30, 1972

(with comparative figures for September 30, 1971)
(Unaudited)

The accompanying notes are an integral part of the financial statements.

LYTTON MINERALS LIMITED

STATEMENT OF LOSS AND DEFICIT

(Unaudited)

<u>Nine Months Ended</u>	<u>September 30, 1972</u>	<u>Nine Months Ended</u>
		<u>September 30, 1971</u>

CORPORATE AND ADMINISTRATIVE COSTS

	\$ 3,600	\$ 3,600
Rent	19,368	14,022
Office and general	478	1,143
Telephone and Telegraph	2,588	2,884
Transfer agent and listing fees	1,000	850
Professional fees	<u>26,909</u>	<u>—</u>
Interest expense	53,943	22,499
Interest income	—	19,234
Loss for the period before write-offs	<u>53,943</u>	<u>3,265</u>
Exploration costs on abandoned properties	859	1,383
Loss for the period	<u>54,802</u>	<u>4,648</u>
Deficit, beginning of the period	<u>269,185</u>	<u>254,494</u>
Deficit, end of the period	<u>\$323,987</u>	<u>\$259,142</u>

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

(Unaudited)

<u>Nine Months Ended</u>	<u>September 30, 1972</u>	<u>Nine Months Ended</u>
		<u>September 30, 1971</u>

SOURCE OF FUNDS

Sundry	\$ 647	\$ 500
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APPLICATION OF FUNDS

Loss for the period before write-offs	53,943	3,265
Investment in Minas del Otoño, S.A.	429,836	1,054,056
Exploration and development expenditures:		
British Columbia	—	496
Yukon and other	<u>859</u>	<u>1,383</u>
	<u>484,638</u>	<u>1,059,200</u>
Decrease in working capital for the period	(483,991)	(1,058,700)
Working capital (deficiency), beginning of the period	<u>(213,920)</u>	<u>1,032,128</u>
Working capital (deficiency), end of the period	<u>\$(697,911)</u>	<u>\$ (26,572)</u>

The accompanying notes are an integral part of the financial statements.

1. MINAS DEL OTOÑO, S.A.

Minas del Otoño, S.A. (MINOSA) a Mexican corporation, owns certain mining properties in the State of Michoacán, Republic of Mexico. Under the terms of an agreement with the shareholders of MINOSA, the Company has the right to purchase in its name and in the name of Mexican citizens or companies designated by it, all the outstanding shares of the company. This purchase option expires on August 4, 1973 and approximately \$3,000 of the purchase price remains to be paid. The laws of the Republic of Mexico require 51% of the issued shares of the company to be owned by Mexican citizens or by Mexican companies having the majority of their share capital owned by Mexican citizens approved by the Mexican authorities.

The investment in MINOSA is represented by the following:

	September 30 1972	September 30 1971
Working capital in Mexico	\$104,000	\$142,000
Exploration and development		
Property acquisition and development	846,000	821,000
Mapping, sampling, surveying	355,000	294,000
Drilling	1,667,000	1,434,000
Supervision, travel, site costs, feasibility study	737,000	395,000
Fixed assets	198,000	213,000
	\$3,907,000	\$3,299,000

Expenditures in Mexican pesos have been translated to Canadian dollars at rates prevailing at the dates of the respective transactions; working capital was translated at the September 30 rate.

2. DEAS LAKE MINES LTD.

The investment in shares of Deas Lake Mines Ltd., represents a 44% interest in the company. Development of the property has been financed by loans from the Company and Mitsui Mining & Smelting Co. Limited, which holds an equal interest in the project. Since the loans (including interest at 6%) are repayable out of profits, no interest has been accrued by the Company. A summary of the financial position of Deas Lake Mines Ltd. at September 30, 1972 is shown below. There have been no transactions since December 31, 1970.

Assets

Exploration and development	
Examination, cost of property acquisition \$ 95,000
Mapping, sampling, surveying 52,000
Drilling 473,000
Supervision, travel, site costs 108,000
	\$728,000
Liabilities and Shareholders' Equity	
Net current liabilities \$ 1,000
Loans from shareholders 431,000
Share capital, less deficit 296,000
	\$728,000

3. EXPLORATION AND DEVELOPMENT EXPENDITURES

The exploration and development costs to date on properties being examined are as follows:

	September 30 1972	September 30 1971
Examination, cost of property acquisition	\$ 23,000	\$ 23,000
Mapping, sampling, surveying.	42,000	42,000
Drilling	51,000	51,000
Supervision, travel, site costs	42,000	42,000
	\$ 158,000	\$ 158,000

4. RIGHTS ISSUE

The company proposes to grant to its shareholders the right to subscribe for additional shares on the basis of one share for each ten shares held at the price of \$2.00 (Canadian funds) per share, subject to it being approved by the necessary securities regulatory bodies. The issue will be underwritten at no cost by Noray Mining Limited, a subsidiary of the parent, Patino, N.V.

19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.

The Company is party to an agreement made the 9th day of February, 1967 (amended December 27, 1968, and July 29, 1970) with Jose Maria Flores Barron (Flores) of 43, Zaragoza Street, Celaya, Guanajuato, Mexico, whereby Flores has granted to the Company the option to purchase all shares of Minas del Otono, S.A. (Minosa) in its name and in the name of Mexican citizens or companies designated by it. This purchase option was to expire on August 4, 1969, but has been extended until August 4, 1973. Approximately \$3,000 remains outstanding on account of the purchase price.

The laws of the Republic of Mexico require 51% of the issued shares of Minosa to be owned by Mexican citizens or by Mexican companies having the majority of their share capital owned by Mexican citizens approved by the Mexican authorities. If the option is exercised the Company will seek to comply with these requirements of Mexican law on the most advantageous terms available to the Company.

20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.

None. At the date hereof, no shares of the Company are in the course of primary distribution to the public.

CERTIFICATE OF THE COMPANY

DATED November 6, 1972

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"S.P. Ogryzlo." S.P. Ogryzlo CORPORATE
SEAL

"A. Sterling." A. Sterling

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

